



# ANNUAL REPORT 2021

# CONTENTS

- 03** Chair Report
- 09** Governance- Board of Directors
- 15** Meet Our Team
- 17** Our Affiliates
- 19** Membership
- 25** Licensing
- 29** Distribution
- 30** Audited Financial Statements



# CHAIR REPORT



For the year under review, being a second year into the COVID-19 pandemic, **ECCO** continued to face challenges with non-compliance.

Consequently, the organization continued to employ pandemic-related financial restrictions. We had to adapt to significant changes that affected the business of music, such as a steep decline in revenue from the lack of licensed events.

In comparison to the previous year, there were some promising signs of improvement as it related to licensing amidst the economic challenges throughout the territories.

Notwithstanding, membership increased by 5.74%, from 836 to 884 in 2021.

The membership total comprises 855 writers and 29 publishers. Of the writer membership total, 710 are male and 145 are female.

Total assets as of the end of 2021 were \$3,357,999.





# REVISION OF **BY-LAWS**

The Board of Directors finalized a set of proposed changes to the by-laws to be presented to the membership at the 2021 AGM. The sections under revision include Membership, Directorship, Proxies, and the construct of the board to accommodate the administration of Related Rights.

# REVISION OF DISTRIBUTION RULES

In an effort to serve our membership, the Board of Directors approved revisions to the distribution rules to be adopted by the membership. The proposed changes were focused on Distribution Frequency, Sample Rate, Data Processing Thresholds, Unidentified Uses, Non-Licensed Revenue, and Membership Fees Allocation. The amendment to the distribution rules will also provide new conditions applied to the expired P.I.



# MEMBERSHIP RELIEF FUND

The Board of Directors finalized a decision to introduce a membership fund to be financed by membership application fees. This initiative aims to provide relief for writer, composer, and publisher members of the organization who have been severely affected by force majeure or other disasters (i.e. Fires, Accidents, Acts of God - Tornadoes, Hurricanes and Tropical Storms, Floods, Earthquakes, etc.). The fund will also benefit those seeking assistance with medical treatment, the death of members, and performers and producers in the future. Eligibility and conditions will be determined.



# REGIONAL CMO REGULATIONS

ACCS, WIPO, and the IPOs of the region have been working together to outline regulations for CMOs operating in the region. The aim is to have a unified approach to how copyright should be treated across the board. For **ECCO**, this means rectifying the issue of varying Copyright Acts in each territory.

With standard regulations, the organization could combat noncompliance more effectively. The organization will agitate each territory's government to enforce its respective copyright laws and adhere to international principles, as it relates to intellectual property.



# CONDOLENCES

During the year, the organization lost some members.

The Board of Directors, Management and staff of **ECCO** extends our sincerest condolences to the families and loved ones of those who have departed this life- We appreciate their valuable contribution to the creative industry.



# BOARD OF DIRECTORS

The Board comprises of 14 Directors: 12 writer Directors, and 2 publisher Directors.

We express our sincere appreciation to the management, staff and agents of the organization for their fidelity and diligence during the year through unprecedented challenges.

To our loyal music users, appreciation is extended to you for your continued support and respect for music copyright.

To our members who have been patient with us, and to those who volunteered willingly in support of our endeavors, we extend our gratitude.



## **VERNALDERINE FRANCIS**

*Chair*

*Saint Kitts & Nevis*

Vernalderine Francis has been a songwriter member of **ECCO** from 2015 and is a co-owner of ROOCOO, a multimedia solutions company that includes music publishing, registered in St. Kitts and Nevis. Ms Francis has been advocating for the rights of songwriters, producers and the performing arts. She has been involved in assisting clients in negotiating music synchronization licences, transcription licences and endorsed deals.

Apart from being a singer in the duo Jade Orchid, she has contributed to the production of the recordings created by the duo. As a musician she plays drums. Over the years, she has provided live backup vocals for artistes/groups such as, Chi-Lites, Christopher Martin, Claudette Peters and Edwin Yearwood to name a few.

Ms Francis is involved in ICT (Information & Communications Technology) and has over 20 years experience in the field. Her skills include graphic design, 2D animation, web development and music production.

## **EUSTACE “CRISPIN” D’AUVERGNE**

*Vice-Chair*

*Saint Lucia*

Mr. Eustace “Crispin” d’Auvergne has been a songwriter member of **ECCO** from 2010. Formally trained in music, Mr. d’Auvergne has performed with various bands and artistes such as the Mighty Pep and Malcolm Magaron, and has written for numerous local calypsonians.

Mr. d’Auvergne holds a Bachelor’s Degree in Natural Resources from the University of East Anglia, UK, and a Master’s Degree in Natural Resources (Climate Change) from the University of the West Indies, Cave Hill Campus.

He started his professional life in the Saint Lucia Department of Fisheries and subsequently worked in a number of capacities, retiring as the head of the Sustainable Development and Environment Division. Since 2017, he has worked at the OECS Commission, Saint Lucia, where he manages the Climate and Disaster Resilience programme.

He served for over 5 years on the Board of HMS and **ECCO** collectively, including as Vice-Chair. In addition, he has served on the Board of, among others, the Development Control Authority, the Saint Lucia National Trust and the Cultural Development Foundation.

## **LINDA “CHOCOLATE” BERTHIER**

*Secretary  
Saint Lucia*

Singer, Songwriter, Television host, Registered Nurse, is just a few of the hats worn by Linda ‘Chocolate’ Berthier. Ms. Berthier has been a songwriter member of **ECCO** from 2004. She has been singing and songwriting since the age of 5 and has developed a voice that makes the heart and soul soar. With a Bachelors degree (Hons) award in Public Health, there’s no stopping this nurse and mother of twins.

## **BUFFALO ODLUM**

*Writer Director  
Saint Lucia*

Buffalo Odlum has been a songwriter member of **ECCO** from 2000. As a founding member of the Hewanorra Music Society (HMS), and an active advocate for the development and acknowledgement of the music and cultural industries in St. Lucia, Mr. Odlum has served on a number of boards in the creative industries and is the manager of B O General Welding and Marine Ltd.

## **STRATOSPHERE MUZIC (COURTNEY “CURTY” LOUIS)**

*Publisher Director  
Saint Lucia*

Stratosphere Muzic is owned and operated by Mr. Courtney “Curty” Louis who has been a publisher member of **ECCO** under the name of his publishing business Stratosphere Muzic from 2013.

Mr. Louis is an award winng songwriter and producer, and has worked in several genres of music with various artists. These include Jamaicans Bad Gyal Ce’Cile, Christopher Martin, Macka Diamond and Beenie Man, as well as Trinidadians Iwer George, Destra, Shurwayne Winchester, Denise “Saucy Wow” Belfon, KMC and Naya George.

He has also worked with Tallpree and Mr Killa from Grenada, Tabia from St Vincent and had his work featured on the Soca Gold compilations as well as Fox FUSE Get Soca.

## **GILROY “EZI” HALL**

*Writer Director*

*St. Lucia*

Gilroy “Ezi” Hall has been a songwriter member of **ECCO** from 2000. Mr. Hall is a former national footballer. Extempo artiste, songwriter, music producer, physical education (PE) tutor, president of the PE Teachers Association, sports administrator, show business personality, karaoke system operator are a few of the many hats worn by Mr. Hall.

## **HERVIN HOOD**

*Writer Director*

*Grenada*

Hervin Hood has been a songwriter member of **ECCO** from 2014 and served as **ECCO’s** Licensing Agent for Grenada in 2019. Mr. Hood is a certified audio/sound engineer who has been heavily involved in Grenada’s music industry, recording sound professionally for 10 years, which includes 6 years of studio management experience.

He is passionate about Grenada’s music industry, and the improving of Grenada’s audio production quality through professional audio training. In addition, he is an advocate for intellectual property. His experience in the current state of music copyright compliance has further fuelled his passion for the protection of Grenada’s music and culture.

## **SANCHEZ MUSIC PUBLISHING (IAN “DOMINGO” SANCHEZ)**

*Publisher Director*

*Saint Lucia*

Sanchez Music Publishing is owned and operated by Mr. Ian “Domingo” Sanchez who has been a songwriter and publisher member of **ECCO** from 2009.

Mr. Sanchez has been involved in the music industry for over 30 years, and became one of the incorporators of the Hewanorra Music Society (HMS) in 2001, following the transition from PRS, and further went on to becoming an **ECCO** Director where he has served over 8 years collectively.

As a Music Publisher, Mr. Sanchez compiled Saint Lucian calypso and soca music from 2000 to 2014. He published Lucian Calypso Carnival cds from 2000 to 2004, and Lucian Soca cds in collaboration with Dutch Productions from 2005 to 2008. In 2009 he again compiled Saint Lucian calypso music on CD to 2014 under his publishing name Sanchez Music Publishing.

## **LANCELOT CHAPMAN**

*Writer Director*

*Saint Vincent and the Grenadines*

Mr. Lancelot Chapman has been a songwriter member of **ECCO** from 2017. He has been involved in music for over 40 years and is very passionate about the arts.

Mr. Chapman is also a calypsonian with the On Tour Calypso Tent in St. Vincent and the Grenadines, Treasurer of the SVG Calypsonians Association, and Secretary of SVG AMP.

## **MELISSA “QPID” MOSES**

*Writer Director*

*Saint Lucia*

Melissa “QPid” Moses has been a songwriter member of **ECCO** from 2004. Ms. Moses is a mother of two, singer/songwriter, radio personality and popular Soca and Calypso artiste, and has served on the **ECCO** Board for over 3 years.

## **MICHELE HENDERSON**

*Writer Director*

*Dominica*

Michele Henderson has been a songwriter member of **ECCO** from 2014. Ms. Henderson is a recording artiste who started singing from an early age, and enrolled at the Kairi School of Music where she learned to play the flute and the recorder and landed lead roles in the school choir.

Ms. Henderson has also toured with the band “Impact” engaging in many festivals and concerts regionally and internationally.

## **RANKIN MORGAN**

*Writer Director*

*St. Lucia*

Rankin Morgan has been a songwriter member of **ECCO** from 2009, and has made a valuable contribution through music production, song writing, and artiste management.

Mr. Morgan is the Managing Director of 123 Digital Limited, a marketing/advertising agency that specialises in digital technologies. He was instrumental in leading his team to win the Idea of the Year Award at the 2013 St. Lucia Business Awards for Dazzle Magazine- a publication that highlights young entrepreneurs and professionals.

## **ROBERT “ROB-ZII” TAYLOR**

*Writer Director*

*St. Lucia*

Robert “Rob-Zii” Taylor has been a songwriter member of **ECCO** from 2020. Mr. Taylor’s career as a very versatile Alto, Soprano, and Tenor Saxophonist has led him to many stage venues worldwide.

He has performed both as a backing saxophonist and fronted his own band. His dynamic stage performance has received excellent reviews. Touring with Kymani Marley in the USA meant he shared the stage with many recognised artists including Buju Banton, Beenie Man, Michael Bolton, Fantasia, Beres Hammond, Dave Koz, Maxi Priest, Toots & The Mayals, and Andrew Tosh.

## **VAUGHAN SKERRITT**

*Writer Director*

*Antigua and Barbuda*

Mr. Vaughan Skerritt has been a songwriter member of **ECCO** from 2020. Mr. Skerritt has been associated with Antigua’s local music scene for over 30 years in the genres of Hip Hop, RnB, Dancehall, and Soca. He has produced and designed winning soca moarch performances in Antigua.

Mr. Skerritt also served as the first **ECCO** Agent for Antigua and Barbuda.

# MEET OUR TEAM

## **VANESTA MORTLEY**

*Operations Manager*

Vanesta Mortley was employed with **ECCO** as the Receptionist in 2008, and has been with the company for 13 years. During this time, she has held multiple roles within the company, and is currently serving as Operations Manager with a key responsibility of managing the overall operational, budgetary, and financial responsibilities and activities of the day-to-day operations. Academically, Vanesta holds a Masters in Business Management, and has demonstrated her proficiency in fields such as accounting, copyright law, and collective management.

## **JANICE MARCELLIN**

*Accounts & Distribution Officer*

Janice Marcellin has been employed with **ECCO** for the past 3 years as the Accounts and Distribution Officer. Her responsibilities include maintaining the accounting portfolio and ensuring proper calculation and distribution of royalties to members. Ms. Marcellin has completed her CAT qualifications and is currently pursuing her ACCA qualifications. With over 15 years of experience in the accounting field, she is very knowledgeable in best accounting and supervisory practices.

## **KEEN COTTER**

*Membership Officer*

Keen Cotter commenced employment with **ECCO** as the Litigation Assistant in 2013, where he gained a deeper appreciation and understanding of copyright and intellectual property law. With his current role as Membership Officer, Mr. Cotter is responsible for improving ECCO's relationship with its members through advocacy, education, customer service, and data management. As an artist, songwriter, and founder of So Keen Media— a music industry management and publishing company, he possesses vast knowledge in both the business • and creative sides of the music industry.





## VINDRA CAZAUBON

*Licensing Support Officer*

Vindra Cazaubon joined the organization as a member of staff in 2014 as the Receptionist/Administrative Assistant. Over the years, she demonstrated a willingness to learn, and ability to create a welcoming environment for customers. Currently, Ms. Cazaubon serves as the Licensing Support Officer where her main responsibilities are licensing and permitting music use by way of education, customer service, compliance and data management. Academically, Vindra holds an Associate Degree in Applied Arts Business Administration, and is currently pursuing her Graphic Design career.

## SADIA HAMSON

*Administrative Assistant*

Sadia Hamson began working at the **Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.** in 2015 as the Administrative Assistant. In fulfilling her duties, Ms. Hamson works closely with management and other team members to conduct research, create reports, respond to information requests, and performing other administrative tasks which she has executed diligently over the years.



# OUR AFFILIATES



**Cuban Agency of  
Musical Copyright  
(ACDAM)**  
*Cuba*



**American Society of  
Composers, Authors  
& Publishers  
(ASCAP)**  
*USA*



**Broadcast Music Inc  
(BMI)**  
*USA*



**Belizean Society of  
Composers Authors  
Publishers (BSCAP)**  
*Belize*



**BUMA/STEMRA**  
*Netherlands*



*Making music matter!*

**Copyright Music  
Organisation of  
Trinidad & Tobago  
(COTT)**  
*Trinidad and Tobago*



**Jamaica Association  
of Composers Authors  
& Publishers Ltd (JACAP)**  
*Jamaica*



**Copyright Society of  
Composers, Authors  
& Publishers Inc (COSCAP)**  
*Barbados*



**Japanese Society for  
Rights of Authors,  
Composers & Publishers  
(JASRAC)**  
*Japan*



**Mechanical-Copyright  
Protection Society (MCPS)**  
*United Kingdom*



**Society of Authors,  
Composers & Publishers  
of Music (SACEM)**  
*France*



**Southern Africa Music  
Rights Organisation  
(SAMRO)**  
*South Africa*



**Foundation for Authors'  
Rights in Suriname  
(SASUR)**  
*Suriname*



**Society of Authors &  
Composers of Mexico  
(SACM)**  
*Mexico*



**Chilean Society of  
Authors and Musical  
Performers (SCD)**  
*Chile*



**Society of European  
Stage Authors &  
Composers Inc (SESAC)**  
*USA*



**SAYCO**  
SOCIEDAD DE AUTORES Y COMPOSITORES DE COLOMBIA

**Colombian Society of  
Authors & Composers  
(SAYCO)**  
*Colombia*



**Spanish Society of  
Authors, Composers &  
Publishers (SGAE)**  
*Spain*



**Society of Composers,  
Authors & Music  
Publishers of Canada  
(SOCAN)**  
*Canada*



**Ukrainian Agency of Copyright  
& Related Rights (NGO-UACRR)**  
*Ukraine*



**Performing Rights  
Society (PRS)**  
*United Kingdom*



**Cooperative Society  
of Music Authors &  
Publishers in Switzerland  
(SUISA)**  
*Switzerland*

# MEMBERSHIP

## New Members

In 2021, **ECCO** received a total of 48 new membership applications: 47 songwriters and 1 publisher. 9 from Antigua and Barbuda, 1 from Dominica, 2 from Grenada, 6 from St. Kitts and Nevis, 24 from Saint Lucia, and 6 from St. Vincent and the Grenadines.



The Board of Directors, Management and staff welcome all new members outlined in the tables below to **ECCO**, and look forward to adding value to your craft.

We encourage you to edify yourselves on your role as a member, and explore the multiple avenues available to develop your craft.

<b>ANTIGUA &amp; BARBUDA</b>		<b>TOTAL- 9</b>
<b>FULL NAME</b>	<b>PSEUDONYM</b>	<b>CATEGORY</b>
Anthony Yankey	Kofijah; Gadelyon	Writer
Carden Conliffe Clarke	N/A	Writer
Deon Raheem Lavonn	Milky Uchiha; Suwu	Writer
Deon Lloyd	Dadhy Rankking	Writer
Guy Alexander Yearwood	Black Tye Chi	Writer
Lazaro Julian Chang Gonzalez	N/A	Writer
Maalik Edwards	N/A	Writer
Rupert Alphonso Edwards	Junie	Writer
Vere Heskette Stedroy Cochrane	N/A	Writer

<b>DOMINICA</b>		<b>TOTAL- 1</b>
<b>FULL NAME</b>	<b>PSEUDONYM</b>	<b>CATEGORY</b>
Carlos Luke Joseph	Sar Haduj; Ras Judah; Sanchos	Writer

<b>GRENADA</b>		<b>TOTAL- 2</b>
<b>FULL NAME</b>	<b>PSEUDONYM</b>	<b>CATEGORY</b>
Jeivon Emmanuel Charles Clement	Kofijah; Gadelyon	Writer
Lesron Joseph Matthew Scott	Salty Soundz	Writer

<b>ST. KITTS &amp; NEVIS</b>		<b>TOTAL- 6</b>
<b>FULL NAME</b>	<b>PSEUDONYM</b>	<b>CATEGORY</b>
Addison Renaldo Harvey	Rasaddie	Writer
Garvin Andrew Charles	Black Socks	Writer
Loud Volume Holdings Ltd.		Writer
Verhne Glenn Pemberton	DV	Writer
Vernon Nias Jr.	Don Vito	Writer
Vidal Akeem Hanley	Slum Knot	Writer

<b>ST. VINCENT &amp; THE GRENADINES</b>		<b>TOTAL- 6</b>
<b>FULL NAME</b>	<b>PSEUDONYM</b>	<b>CATEGORY</b>
Chewalee Johnson	N/A	Writer
Cleo Annmarie Hendrickson	Cleopatra	Writer
Kester Chapman	Flanka	Writer
Kervon Joshua Bethel	Tar Baby	Writer
Marvo Marissa O'Brien Morgan	N/A	Writer
Ozarie Maynard Sofrey Matthews	N/A	Writer

ST. LUCIA		TOTAL- 24
FULL NAME	PSEUDONYM	CATEGORY
Augustin Elcock	Cockey	Writer
Aloysius Pascal	Prado	Writer
Bernie Vige	10.pong	Writer
Clement Charlery	Great White; Sniper West	Writer
Cleveland Dexter Bissette	Cleve	Writer
Cumiah Lisette St. Catherine	Cumiah Lisette	Writer
Delvorn Longville	Bobo	Writer
Emerson Aine Nurse	Stone	Writer
Entertainment Sound Productions Limited		Publisher
Ezra Mc Dowell	Arze	Writer
Jordan Richard	Positive Vibes	Writer
Kaylan Joseph	Taliko	Writer
Keia Hippolyte	N/A	Writer
Kohane Samuel	Kohen	Writer
Lance Nelson Lammie	Lanciko	Writer
Leo Felix	Ras Leo	Writer
Luthuli Fontenelle	Big Lum	Writer
Myhan Hippolyte	Kimani	Writer
Phil Joseph	Bott Savage	Writer
T'Bano Sylvester	Tibby; Tibzmusic	Writer
Tyrell William	Feb Gruesome	Writer
Valansa Calderon Flermius	Val	Writer
Xion Imani Monja St. Pierre	StItches	Writer
Zelie Joshua Benjamin	Wood Fyah	Writer

# NEW MEMBERS ANALYSIS

The table below shows new songwriter and publisher members in the six (6) active **ECCO** territories according to gender. It can be seen that majority of the new members were male songwriters from Saint Lucia, followed by Antigua and Barbuda, St. Kitts and Nevis, St. Vincent and the Grenadines, Grenada, and Dominica.

We received one (1) new publisher member from Saint Lucia.

NEW SONGWRITER MEMBERS			TOTAL- 47
TERRITORY	MALE	FEMALE	TALLY
Antigua & Barbuda	9	0	9
Dominica	1	0	1
Grenada	2	0	2
St. Kitts & Nevis	6	0	6
St. Lucia	21	3	23
St. Vincent & the Grenadines	4	2	6

NEW PUBLISHER MEMBERS		TOTAL- 1
TERRITORY		TALLY
St. Lucia		1

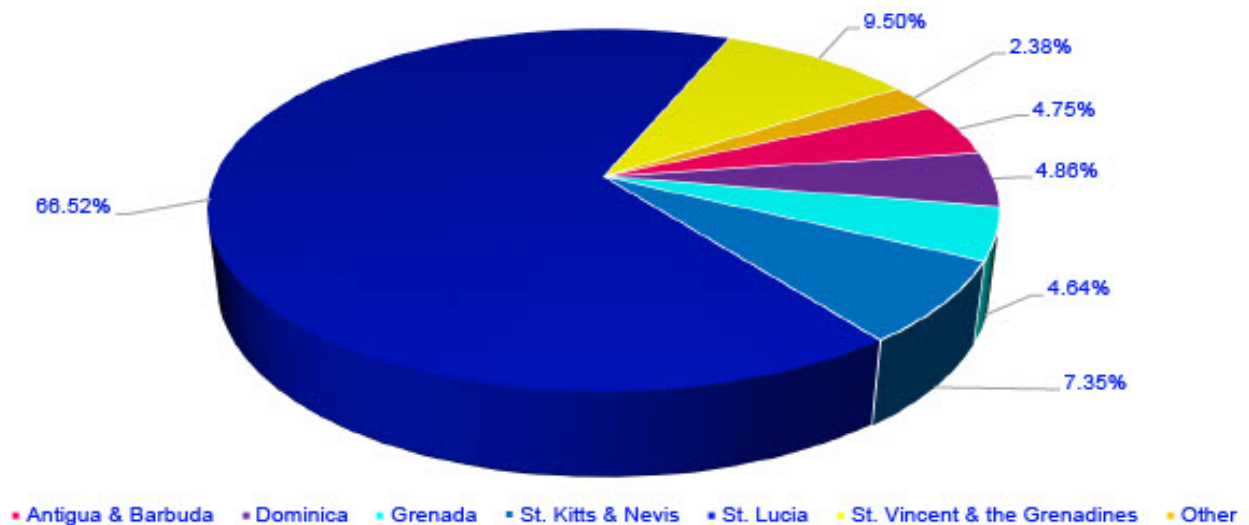


# TOTAL MEMBERSHIP

In 2021, membership grew from 836 to 884 which represents a 5.74% increase. The table below presents the total membership according to territory, and includes both songwriter and publisher members.

MEMBERS	TOTAL- 884
TERRITORY	TALLY
Antigua & Barbuda	42
Dominica	43
Grenada	41
St. Kitts & Nevis	65
St. Lucia	588
St. Vincent & the Grenadines	84
Other	21

## TERRITORY BY PERCENTAGE

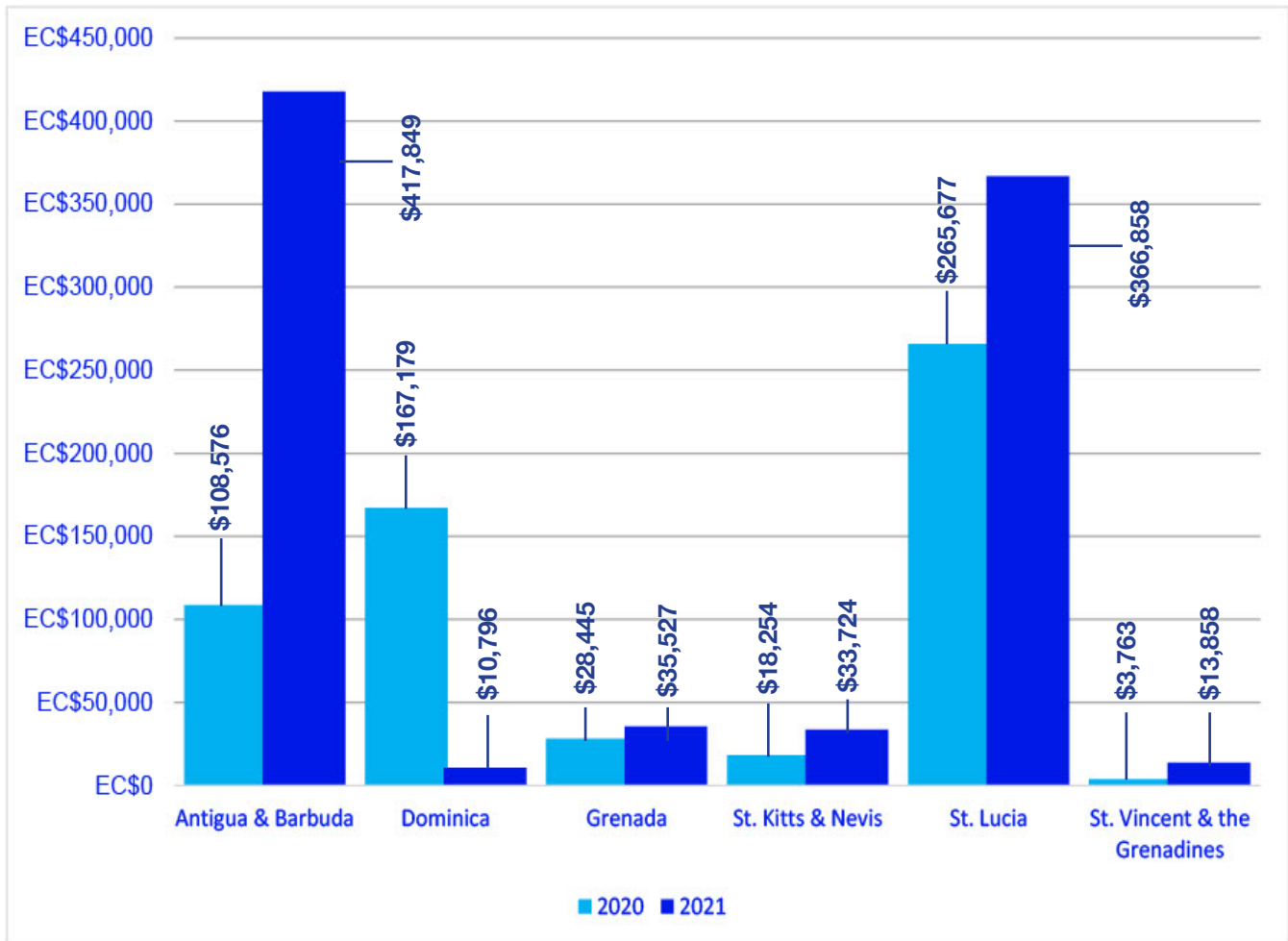


# LICENSING

An analysis of the licensing revenue reveals a general trend toward an increase in **ECCO's** collections. Our receipts exceeded that of what was collected in 2020. This is evidence that the creative industry is rebounding after having been severely impacted by the COVID-19 pandemic, with the exception of Dominica, where our largest source of licensing income is generated from the Dominica World Creole Music Festival. The festival was cancelled in 2020 and 2021, due to the rise in COVID-19 cases in the territory. This revealed a significant reduction in our licensing collections in the territory in 2021.

The easing of restrictions on travel has meant that major regional festivals can once again be held with visitors being able to participate. Additional revenue was generated that is beneficial to the economies of the countries in which **ECCO** has a presence. **ECCO** now has a real opportunity, in the coming years, to regain a favorable financial balance.

## COMPARISON BETWEEN 2020 & 2021



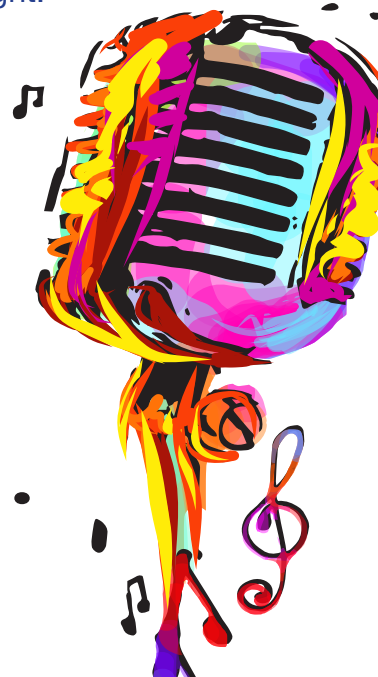
# INTERNATIONAL LICENSING

The Societies that form the Association of Caribbean Copyright Societies (ACCS), (ECCO, COTT, JACAP, BSCAP, COSCAP) came together to resolve the then unavailability of digital licensing on international platforms for the region. This issue was further highlighted by the pandemic, and the societies agreed that a joint approach would be more successful. The Societies, therefore, partnered with LatinAutor, a copyright collection agency that represents various Latin American countries and is known to digital platforms. This initiative serves to provide our members with a better chance at gaining royalties through additional avenues.

## Spotify & Facebook

In May 2021, the societies that formed ACCS signed a digital licensing agreement with Spotify through LatinAutor. The territories covered by Spotify in this agreement are Barbados, Belize, Trinidad & Tobago, Jamaica, Antigua & Barbuda, Commonwealth of Dominica, Grenada, St. Kitts & Nevis, Saint Lucia, and St. Vincent and the Grenadines.

Similarly in November 2021, a digital licensing agreement was signed with Facebook through LatinAutor. Digital licenses for Apple, YouTube and Deezer are also being sought.



# REGIONAL LICENSING

## FLOW

**ECCO** restarted conversations with Flow concerning the outstanding license fees due for the period 2017 - 2020. Historically, television broadcasting has been the main medium for audio-visual content in the region and FLOW TV subscription base has been growing throughout the territories. As at the end of 2021, it was understood that FLOW intended to pay the licensing fees but sought to negotiate the methodology of the calculations.

## ECCO v. Cane Juice

This matter is still ongoing. **ECCO** recognized that promoters continued to infringe on the works of its members and sister societies, and took action against Cane Juice after numerous attempts to get the organizers to acquire a licence to protect the use of the public performance of these works.

As a consequence of the **ECCO** v. Cane Juice case in St. Kitts and Nevis, BMI wrote to **ECCO** expressing their concern about the illegal use of the works of its members by various types of music users in the Caribbean, particularly in the Eastern Caribbean where the rate of infringement is extremely high.

- Users include Cable and TV entities, radio stations, bars, restaurants, shops and stores, hotels, nightclubs, event promoters etc.

Highlighting our reciprocal agreement established in 2009, BMI has given **ECCO** free reign to take action against any user infringing on their catalog of over 18.7 million musical works. This goes for all territories- Anguilla, Antigua & Barbuda, British Virgin Islands, Dominica, Grenada, Montserrat, St. Kitts & Nevis, Saint Lucia, and St. Vincent and the Grenadines.

We continue to do what is necessary to protect the works of our members, and by extension the members of the Societies we have reciprocal agreements with.

# DISTRIBUTION

Distributions are made based on the licensing income collected less **ECCO's** administrative processing fees in the previous year, and are processed four (4) times every year in the following categories:

1. Live and Pending Identification (PI) Distribution
2. Broadcasting and General Distribution (January - June)
3. Foreign Distribution
4. Broadcasting and General Distribution (July - December)

The distributable income varies, and is dependant on **ECCO's** performance for the year. It is unfortunate but expected that whilst our income increased in 2021, **ECCO** experienced a deficit in 2020, and as a result no distributions were processed for this period.

Being a Collective Management Organization (CMO), **ECCO** generates income from the public performance of copyright music. In 2020, businesses in all **ECCO** active territories operated at a minimum, due to the sanctions implemented by the various Governments in an effort to reduce the spread of the COVID-19 virus. Additionally, hosting of mass crowd events was prohibited.

Our licensing collections improved in 2021 as the situation began to stabilise. **ECCO** is hopeful that we will see a positive turn around for our members and members of our Affiliates in the near future.

# **AUDITED** FINANCIAL STATEMENTS

## **Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.**

Financial Statements

**December 31, 2021**

(expressed in Eastern Caribbean dollars)

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

## Table of Contents

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	<b>Page</b>
<b>Contents</b>	
Independent Auditors' Report	1 - 2
Statement of Financial Position	3
Statement of Comprehensive Income and Expenditure	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 19





February 14, 2023

## Independent Auditor's Report

To the Members of  
Eastern Caribbean Collective Organisation for  
Music Rights (ECCO) Inc.

Grant Thornton  
Point Seraphine  
PO Box 195  
Castries, St. Lucia  
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F 1 758 452 1061  
www.GrantThornton.com

## Report on the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.** (the Company) which comprise the statement of financial position as of December 31, 2021 and the statements of comprehensive income and expenditure, changes in equity and cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respect, the financial position of **Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.** as of December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Eastern Caribbean, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### Partners:

Anthony Atkinson – Managing partner  
Richard Peterkin  
Rosilyn Novela  
Malaika Felix  
Sharon Raoul

Audit & Tax Advisory  
Member firm of Grant Thornton International Ltd

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Chartered Accountants**

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

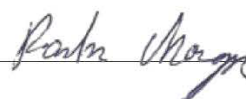
Statement of Financial Position  
As of December 31, 2021

(expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash (Note 4)	2,151,022	2,255,697
Trade and other receivables (Note 6)	817,166	352,454
Due from related party (Note 7)	5,682	5,682
	<u>2,973,870</u>	2,613,833
<b>Property and equipment</b> (Note 8)	384,129	388,719
<b>Intangible assets</b> (Note 9)	—	—
	<u>3,357,999</u>	<u>3,002,552</u>
<b>Total assets</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Borrowings (Note 10)	32,461	31,120
Accruals and other payables (Note 11)	263,780	337,969
Provision for legal award	5,000	5,000
Deferred revenue	365,448	151,966
Due to rights owners (Note 12)	2,120,587	1,893,864
	<u>2,787,276</u>	2,419,919
<b>Borrowings</b> (Note 10)	37,501	69,501
	<u>2,824,777</u>	<u>2,489,420</u>
<b>Total liabilities</b>		
<b>Equity</b>		
<b>Reserve fund</b>	533,222	513,132
	<u>3,357,999</u>	<u>3,002,552</u>
<b>Total liabilities and equity</b>		

Approved by the Board of Directors on February 10, 2023

 Director

 Director

The accompanying notes are an integral part of these financial statements.

(3)

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Statement of Comprehensive Income and Expenditure  
For the year ended December 31, 2021

(expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
<b>Income</b>		
Royalties (Note 13)	878,612	591,894
Registration fees	6,962	9,900
	<u>885,574</u>	601,794
<b>Administrative and general expenses</b> (Note 14)	<b>(301,983)</b>	(357,130)
<b>Receivables impairment</b>	<b>(103,685)</b>	(329,560)
<b>Legal and professional fees</b>	<b>(18,325)</b>	(155,400)
<b>Staff costs</b> (Note 15)	<b>(179,868)</b>	(283,096)
<b>Disposal of property, plant and equipment</b>	<b>(129)</b>	–
<b>Other income</b> (Note 16)	<u>–</u>	218
<b>Surplus/(deficit) before finance cost</b>	<b>281,584</b>	(523,174)
<b>Finance cost</b> (Note 10)	<u><b>(12,056)</b></u>	(5,491)
<b>Net comprehensive income/(loss)</b>	<u><b>269,528</b></u>	(528,665)
<b>Attributable to:</b>		
Net distributable comprehensive income/(loss)	262,566	(538,783)
Other income not included in distributable reserves	6,962	10,118
<b>Net comprehensive income/(loss)</b>	<u><b>269,528</b></u>	(528,665)

The accompanying notes are an integral part of these financial statements.

(4)

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Statement of Changes in Equity  
For the year ended December 31, 2021

(expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
<b>Distributable reserve</b>		
Net distributable comprehensive income/(loss) for the year	<u>262,566</u>	<u>(538,783)</u>
Appropriations to reserve fund –		
5% of net distributable comprehensive income	(13,128)	–
Distributable (income)/loss to rights owners (Note 12)	<u>(249,438)</u>	<u>538,783</u>
At end of year	<u>–</u>	<u>–</u>
<b>Reserve fund</b>		
At beginning of year	513,132	503,014
Appropriation from distributable reserve -		
5% of net distributable comprehensive income	13,128	–
Other income not included in distributable comprehensive income	<u>6,962</u>	<u>10,118</u>
At end of year	<u>533,222</u>	<u>513,132</u>
<b>Equity, end of year</b>	<u>533,222</u>	<u>513,132</u>

The accompanying notes are an integral part of these financial statements.

(5)

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

## Statement of Cash Flows

For the year ended December 31, 2021

(expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
<b>Cash flows from operating activities</b>		
Net income/(loss) for the year	269,528	(528,665)
Adjustments for:		
Interest expense (Note 10)	12,056	5,491
Bad debts expense	103,685	329,560
Provision for legal award	–	5,000
Depreciation and amortization (Notes 8, 9 and 14)	16,209	24,364
Loss on disposal of property, plant and equipment	129	–
	<u>401,607</u>	<u>(164,250)</u>
Operating profit/(loss) before working capital changes		
(Increase)/decrease in receivables and prepayments	(568,397)	235,321
Decrease in accruals and other payables	(74,188)	(20,125)
Increase in deferred revenue	213,482	29,445
	<u>(27,496)</u>	<u>80,389</u>
Net cash (used in)/provided by operating activities		
<b>Cash flows from investing activities</b>		
Purchase of property and equipment (Note 8)	(11,748)	(3,232)
	<u>(11,748)</u>	<u>(3,232)</u>
Net cash used in investing activities		
<b>Cash flows from financing activities</b>		
Distributions to rights owners	(22,716)	(522,700)
Interest paid	(12,056)	(5,491)
Repayment of borrowings	(30,659)	(15,258)
	<u>(65,431)</u>	<u>(543,449)</u>
Net cash used in financing activities		
<b>Net decrease in cash</b>	<b>(104,675)</b>	<b>(466,292)</b>
<b>Cash, beginning of year</b>	<b>2,255,697</b>	<b>2,721,989</b>
<b>Cash, end of year (Note 4)</b>	<b>2,151,022</b>	<b>2,255,697</b>

The accompanying notes are an integral part of these financial statements.

(6)

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

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## 1 General information

Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc. (“formerly The Hewanorra Musical Society (HMS) Incorporated”) (the “Company”) was incorporated in January 2001 under the Companies Act 1996, as a non-profit company without share capital. The Company is the successor to the Hewanorra Musical Society which was established as a Partnership in June 1999. That Partnership was dissolved in January 2001 and the net assets were transferred to the Company. All rights and privileges of the members of the Partnership were also assigned to the Company.

The Company is registered as a collective society under the Copyright (Amendment) Act of 2000 and is subject to the conditions of that legislation. The principal business activity of the Company is the exercise and enforcement, on behalf of rights owners and affiliates, of all rights and remedies under the law relating to copyright and intellectual property.

The registered office of the Company is located at Castries, Saint Lucia.

## 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### Basis of preparation

The financial statements of the Eastern Caribbean Collective Organisation (ECCO) for Music Rights Inc. have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and under the historical cost convention.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

### a) Statement of compliance

The financial statements of the company have been prepared in accordance with IFRS for SMEs as issued by the International Accounting Standards Board (IASB).

### b) Cash

Cash include cash in hand, deposits at call with banks and restricted cash with bank.

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

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## 2 Summary of significant accounting policies...continued

### c) Trade Receivables

Receivables are carried at fair value and subsequently measured at amortised cost using effective interest method, less provision made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognised in the statement of comprehensive income and expenditure. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'administrative and operating expenses' in the statement of comprehensive income and expenditure.

### d) Property and equipment

Land is stated at cost. All other property and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income and expenditure during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method to allocate their cost to their residual values over the estimated useful lives as follows:

Building	2%
Computers	20%
Office furniture	20%
Office equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount, if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within other income, in the statement of comprehensive income and expenditure.

### e) Intangible assets

Website development costs are capitalised on the basis of the cost incurred to acquire and bring to use the website into use. These costs are amortized over their estimated useful life of 4 years. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 4 years.



# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

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## 2 Summary of significant accounting policies...continued

### f) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

### g) Financial instruments

#### Financial assets

Trade and other receivables and cash

These financial assets are recognised initially at the transaction price. Subsequently, they are measured at amortised cost using the effective interest method, less provision for impairment. Sales are made on normal credit terms and trade receivables do not bear interest.

Where there is objective evidence that the carrying amounts of receivables are not recoverable, an impairment loss is recognised in profit or loss.

#### Financial liabilities

The Company's financial liabilities include borrowings and trade and other payables. Financial liabilities are recognised initially at transaction price. After initial recognition they are measured at amortised cost using the effective interest method. Trade payables are on normal credit terms and do not bear interest.

### h) Accruals and other payables

Accruals and other payables are recognised in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established. These are recognised initially at fair value and subsequently measured at amortised cost using effective interest. Accruals and other payables are classified as current liabilities if payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

### i) Deferred revenue

Deferred revenue represents unamortised license fees received. Deferred revenue is amortised over the life of the license.

### j) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income and expenditure over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

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## 2 Summary of significant accounting policies...continued

### k) Provisions

Provisions are recognised when obligation (legal or constructive) is incurred as a result of past events and when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flow at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an 'Interest expense' in the statement of comprehensive income and expenditure.

### l) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale services in the ordinary course of the Company's activities.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- (a) Performing rights royalty income from Broadcasting and Special Events is recognised on an accrual basis, where the organisations involved have the proven capacity to pay the amounts invoiced by the Company.
- (b) Registration fees are recognised on an accrual basis upon submission of a completed registration form.
- (c) Interest income is recognised on a time proportion basis using the effective interest method.

### m) Related party relationships and transactions

Related party relationships exist when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Transactions between related parties are accounted for at arms' length prices or on terms similar to those offered to non-related entities in an economically comparable market.

### n) Borrowing costs

Borrowing costs are expensed as incurred.

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

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## 2 Summary of significant accounting policies...continued

### **o) Foreign currency translation**

#### *(i) Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements are presented in Eastern Caribbean dollars, which is the Company’s functional and presentation currency.

#### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income and expenditure.

### **p) Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognised unless the realisation of the assets is virtually certain. They are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

### **q) Subsequent events**

Post year-end events that provide additional information about the Company’s position at the balance sheet date (adjusting events) are reflected in the Company’s financial statements. Post year-end events that are not adjusting events are disclosed when material to the financial statements, if any.

### **r) Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

## 3 Critical judgements in applying the entity’s accounting policies

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Management does not consider that there are estimates and assumptions that will have a significant risk, causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

## 4 Cash

	2021 \$	2020 \$
Cash at bank and on hand	2,088,382	2,193,057
Restricted cash (Note 10)	62,640	62,640
	<u>2,151,022</u>	<u>2,255,697</u>

## 5 Investment securities

	2021 \$	2020 \$
<b>Debt securities</b>		
Unlisted investment securities	230,979	221,032
Less: provision for impairment of investment securities	<u>(230,979)</u>	<u>(221,032)</u>
	<u>—</u>	<u>—</u>

The weighted average effective interest rate on debt securities is 4.5% (2020 - 4.5%) per annum. This investment with CLICO International Life Insurance Limited matured on December 22, 2009. This investment has been fully provided for.

## 6 Trade and other receivables

	2021 \$	2020 \$
Trade receivables	1,238,626	718,385
Less: Provision for impairment of receivables	<u>(444,294)</u>	<u>(384,795)</u>
	794,332	333,590
Prepayments	22,834	18,355
Other receivables	<u>—</u>	<u>509</u>
	<u>817,166</u>	<u>352,454</u>

The fair value of receivables approximates the carrying values at December 31, 2021 and 2020, since these receivables are expected to be realised on a short-term basis.

The creation and release of provision for impaired receivables have been included in administrative expenses in the statement of comprehensive income (Note 14). Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash. In 2021, \$89,400 of receivables were provided for (2020 - \$329,560) and \$29,901 (2020 - \$Nil) of the receivables being provided for were written-off.

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

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## 7 Related party balances and transactions

	2021 \$	2020 \$
<b>Due from related party</b>		
Performing Right Society Ltd.	<u>5,682</u>	<u>5,682</u>

Balances with related parties are unsecured, non-interest bearing and due and demandable.

### Key management compensation

Key management comprises senior management of the Company.

Compensation of key management personnel were as follows:

	2021 \$	2020 \$
Salaries and wages	49,275	146,199
Social security costs	2,494	5,152
Pension and medical benefits	762	634
Other benefits	<u>1,600</u>	<u>5,000</u>
	<u>54,131</u>	<u>156,985</u>

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

## 8 Property and equipment

	Land and Building \$	Computers \$	Office Furniture \$	Office Equipment \$	Total \$
<b>At December 31, 2019</b>					
Cost	475,462	26,442	18,707	69,904	590,515
Accumulated depreciation	(94,580)	(18,374)	(15,878)	(60,868)	(189,700)
Net book value	380,882	8,068	2,829	9,036	400,815
<b>Year ended December 31, 2020</b>					
Opening net book amount	380,882	8,068	2,829	9,036	400,815
Additions	–	3,232	–	–	3,232
Depreciation charge (Note 14)	(8,661)	(2,613)	(1,326)	(2,728)	(15,328)
Closing net book amount	372,221	8,687	1,503	6,308	388,719
<b>At December 31, 2020</b>					
Cost	475,462	29,674	18,707	69,904	593,747
Accumulated depreciation	(103,241)	(20,987)	(17,204)	(63,596)	(205,028)
Net book amount	372,221	8,687	1,503	6,308	388,719
<b>Year ended December 31, 2021</b>					
Opening net book amount	372,221	8,687	1,503	6,308	388,719
Additions	–	9,653	–	2,095	11,748
Disposal	–	(129)	–	–	(129)
Depreciation charge (Note 14)	(8,661)	(3,478)	(1,326)	(2,744)	(16,209)
Closing net book amount	363,560	14,733	177	5,659	384,129
<b>At December 31, 2021</b>					
Cost	475,462	39,198	18,707	71,999	605,366
Accumulated depreciation	(111,902)	(24,465)	(18,530)	(66,340)	(221,237)
Net book amount	363,560	14,733	177	5,659	384,129

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

## 9 Intangible assets

	Software, licenses and websites \$
<b>At December 31, 2019</b>	
Cost	49,924
Accumulated amortization	<u>(40,888)</u>
Net book amount	<u>9,036</u>
<b>Year ended December 31, 2020</b>	
Opening net book amount	9,036
Amortization (Note 14)	<u>(9,036)</u>
Closing net book amount	<u>–</u>
<b>At December 31, 2020</b>	
Cost	49,924
Accumulated amortization	<u>(49,924)</u>
Net book amount	<u>–</u>
<b>Year ended December 31, 2021</b>	
Opening net book amount	9,036
Amortization (Note 14)	<u>(9,036)</u>
Closing net book amount	<u>–</u>
<b>At December 31, 2021</b>	
Cost	49,924
Accumulated amortization	<u>(49,924)</u>
Net book amount	<u>–</u>

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

## 10 Borrowings

	2021 \$	2020 \$
<b>Current</b>		
Bank borrowings	32,461	31,120
<b>Non-current</b>		
Bank borrowings	37,501	69,501
<b>Total borrowings</b>	<b>69,962</b>	<b>100,621</b>

Bank borrowing is secured by a hypothecary obligation over the land and building of the Company which was stamped to cover \$321,800, assignment of insurance policy of the building for \$538,500 and lien over the Company's current account for \$62,640.

The maturity of non-current borrowings is as follows:

	2021 \$	2020 \$
Between 1 and 2 years	32,461	34,413
Between 2 and 5 years	5,040	35,088
	<b>37,501</b>	<b>69,501</b>

Finance cost incurred in 2021 amounted to \$10,253 (2020 - \$5,491). The weighted average effective interest rate at the balance sheet date was 10% in 2021 (2020 - 10%).

## 11 Accruals and other payables

	2021 \$	2020 \$
Accrued expenses	174,345	169,162
Accounts payable	21,797	35,049
VAT payable - net	13,792	62,936
Other payables	53,846	70,822
	<b>263,780</b>	<b>337,969</b>



# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

## 12 Due to rights owners

	2021 \$	2020 \$
At beginning of year	1,893,864	2,955,348
Foreign distribution received for rights owners	34,259	90,760
Distributable (loss)/income to rights owners	<u>249,438</u>	<u>(538,783)</u>
	2,177,561	2,507,325
Less: benevolent fund	(729)	(3,000)
Less: adjustment/distribution to rights owners	<u>(56,245)</u>	<u>(610,461)</u>
At end of year	<u>2,120,587</u>	1,893,864

The Company's Article of Incorporation and By-laws stated that the Company may appropriate 5% of its net distributable income at the end of each financial year as a reserve fund.

## 13 Royalties

	2021 \$	2020 \$
General	471,137	280,881
Live events	17,500	211,019
Broadcasting	<u>389,975</u>	<u>99,994</u>
	<u>878,612</u>	591,894

The revenue is attributed to the member territories as follows:

	2021 \$	2020 \$
St. Lucia	366,858	265,677
St. Kitts	33,724	18,254
Antigua	417,849	108,576
St. Vincent and the Grenadines	13,858	3,763
Dominica	10,796	167,179
Grenada	<u>35,527</u>	<u>28,445</u>
	<u>878,612</u>	591,894

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

## 14 Administrative and general expenses

	2021	2020
	\$	\$
Agents fees and commissions	63,052	76,794
BMAT licensing system fee	28,175	39,189
Audit fees	16,000	16,000
Accounting fees	12,000	–
Utilities	24,831	28,662
Taxes and licenses	25,148	27,788
Director's fees	17,400	12,900
Depreciation and amortization (Notes 8, 9)	16,209	24,364
Printing, postage and office supplies	16,089	18,872
COSIS subscription	13,994	10,596
ACCS subscriptions	13,585	27,169
Expenses for meetings	9,653	9,053
CISAC/SUISA subscriptions	7,409	8,074
Bank charges	7,310	10,575
Dues and subscriptions	6,417	2,772
Insurance	3,365	3,365
Office repairs and maintenance	2,108	6,137
Security Services	2,750	4,370
Membership fees	1,583	1,396
Promotion and advertising	1,433	9,433
Travel and entertainment	141	6,826
COVID 19 relief	–	2,563
Other expenses	13,331	10,232
	<b>301,983</b>	<b>357,130</b>

## 15 Employee benefit expense

	2021	2020
	\$	\$
Salaries and wages	167,347	268,312
Social security cost	8,409	11,604
Pension and medical	3,233	2,985
Other staff benefits	879	195
	<b>179,868</b>	<b>283,096</b>

# Eastern Caribbean Collective Organisation for Music Rights (ECCO) Inc.

Notes to Financial Statements

For the year ended December 31, 2021

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## 16 Other income

	2021 \$	2020 \$
Interest income	–	–
Miscellaneous income	–	218
	<hr/>	<hr/>
	–	218

## 17 Other matters

On March 11, 2021, the World Health Organisation declared the COVID-19 to be a pandemic. The pandemic has resulted in a significant downturn in commercial activity around the world. There is currently no cure, and the means most recommended to manage contagion is social distancing. This has resulted in several countries embarking on varying degrees of lock-down, closure of borders and travel bans. Global travel restrictions have been implemented, all of which will have negative global economic consequences.

The Company has been exposed to the effects of the COVID-19 on the economic downturn resulting from the varying degrees of lock-downs from March 23, 2021. The Company has not been able to quantify the full impact of the foregoing on its financial results at the time of reporting due to the unpredictable nature of the ongoing situation and the timing.



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